

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
April 8, 2025**

Community Hub at Inglewood First UMC, located at 411 East Kelso Street in Inglewood on a 0.62 acre site, requested and is being recommended for a reservation of \$1,522,877 in annual federal tax credits and \$22,638,299 of tax-exempt bond cap to finance the new construction & adaptive reuse of 60 units of housing, consisting of 59 restricted rental units and 1 unrestricted manager's unit. The project will have 59 studio units, 1 one-bedroom unit, serving tenants with rents affordable to households earning 30%-60% of area median income (AMI). The rehabilitation is expected to begin in September 2025 and be completed in April 2027. The project will be developed by BMB Housing LLC and will be located in Senate District 35 and Assembly District 61.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the Permanent Local Housing Allocation (PLHA) program of HCD.

**Project Number** CA-25-471

**Project Name** Community Hub at Inglewood First UMC  
Site Address: 411 East Kelso Street  
Inglewood, CA 90301  
County: Los Angeles  
Census Tract: 6010.02

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$1,522,877	\$0
Recommended:	\$1,522,877	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$22,638,299

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: 304 E. Spruce St. LP  
Contact: Andre J. White  
Address: 40 East Colorado Boulevard, Suite E  
Pasadena, CA 91105  
Phone: (843) 338-3811  
Email: andre@bmbcompany.com

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Municipal Finance Authority  
Bond Counsel: Jones Hall, A Professional Law Corporation  
Private Placement Purchaser: U.S. Bank National Association

**Development Team**

General Partners / Principal Owners: 304 E Spruce St. LLC  
 Central Valley Coalition for Affordable Housing  
 General Partner Type: Joint Venture  
 Parent Companies: 304 E. Spruce St. LLC  
 Central Valley Coalition for Affordable Housing  
 Developer: BMB Housing LLC  
 Investor/Consultant: U.S. Bancorp Impact Finance  
 Management Agent: Barker Management, Inc.

**Project Information**

Construction Type: New Construction & Adaptive Reuse  
 Total # Residential Buildings: 4  
 Total # of Units: 60  
 No. / % of Low Income Units: 59 100.00%  
 Average Targeted Affordability: 43.22%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Vouchers (30 Units) / HOME

**Information**

Housing Type: Non-Targeted  
 Geographic Area: Balance of Los Angeles County  
 State Ceiling Pool: New Construction  
 CDLAC Project Analyst: Daisy Andrade  
 CTCAC Project Analyst: Michael Reichert

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	30	51%
50% AMI:	9	15%
60% AMI:	20	34%

**Unit Mix**

59	SRO/Studio Units
1	1-Bedroom Units
60	Total Units

<b>Unit Type &amp; Number</b>	<b>2024 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
22 SRO/Studio	30%	\$728
3 SRO/Studio	50%	\$1,213
3 SRO/Studio	60%	\$1,456
8 SRO/Studio	30%	\$728
6 SRO/Studio	50%	\$1,213
17 SRO/Studio	60%	\$1,456
1 1 Bedroom	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$6,871,937
Construction Costs	\$22,286,366
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$1,123,974
Soft Cost Contingency	\$114,904
Relocation	\$0
Architectural/Engineering	\$1,622,126
Const. Interest, Perm. Financing	\$3,146,715
Legal Fees	\$945,000
Reserves	\$237,166
Other Costs	\$1,498,762
Developer Fee	\$6,253,195
Commercial Costs	\$0
<b>Total</b>	<b>\$44,100,145</b>

**Residential**

Construction Cost Per Square Foot:	\$782
Per Unit Cost:	\$735,002
Estimated Hard Per Unit Cost:	\$312,738
True Cash Per Unit Cost*:	\$700,002
Bond Allocation Per Unit:	\$377,305
Bond Allocation Per Restricted Rental Unit:	\$383,700

**Construction Financing**

Source	Amount
U.S. Bank: Tax-Exempt	\$22,638,299
Century Housing: Taxable	\$1,995,495
City of Inglewood: HOME	\$4,000,000
City of Inglewood: PHLA	\$2,000,000
City of Inglewood	\$5,000,000
City of Inglewood <sup>1</sup>	\$2,500,000
IFMC <sup>2</sup>	\$350,000
Deferred Developer Fee	\$2,100,000
General Partner Equity	\$1,153,195
Tax Credit Equity	\$2,363,156

**Permanent Financing**

Source	Amount
Century Housing	\$12,453,794
City of Inglewood: HOME	\$4,000,000
City of Inglewood: PHLA	\$2,000,000
City of Inglewood	\$5,000,000
City of Inglewood <sup>1</sup>	\$2,500,000
IFMC <sup>2</sup>	\$350,000
Deferred Developer Fee	\$2,100,000
General Partner Equity	\$1,153,195
Tax Credit Equity	\$14,543,156
<b>TOTAL</b>	<b>\$44,100,145</b>

\*Less Donated Land, Seller Carryback Loans, Waived Fees, and Deferred Developer Fee

<sup>1</sup>City of Inglewood: Housing Bonds

<sup>2</sup>Inglewood First Methodist Church

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$35,518,558
130% High Cost Adjustment:	No
Requested Eligible Basis (Acquisition):	\$2,556,338
Applicable Fraction:	100.00%
Qualified Basis:	\$35,518,558
Qualified Basis (Acquisition):	\$2,556,338
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$1,420,623
Maximum Annual Federal Credit, Acquisition:	\$102,254
Total Maximum Annual Federal Credit:	\$1,522,877
Approved Developer Fee (in Project Cost & Eligible Basis):	\$6,253,195
Federal Tax Credit Factor:	\$0.95498

Except as allowed for projects basing cost on assumed third party debt, the “as if vacant” land value and the existing improvement value established at application for all projects, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

**CTCAC Significant Information / Additional Conditions:**

Projects with funding and subsidies from HUD are required to use Utility Allowances (UAs) approved by HUD. The applicant’s use of the CUAC for CA-25-471 is subject to approval by HUD.

The applicant is proposing to include senior housing in combination with non-senior housing and has provided a third party legal opinion stating that the project complies with Fair Housing Laws per CTCAC regulation 10322(h)(34).

This project has received a waiver allowing the project to waive the 10% vacancy requirement for its SRO units, underwriting at 5% vacancy.

**CDLAC Analyst Comments:** None.

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

The applicant shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% of the project aggregate basis with tax-exempt bond proceeds as calculated by the project tax professional. Therefore, the federal credit reserved for this project will not count against the annual ceiling.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

CTCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of CTCAC.

The applicant must pay CTCAC a reservation fee calculated in accordance with regulation. Additionally, CTCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within CTCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, CTCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from CTCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by CTCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis, and tax credit amount determined by CTCAC in its final feasibility analysis.

**CDLAC Additional Conditions**

The applicant/owner is required to comply with the CDLAC Resolution. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC

If points were awarded by CDLAC for housing type, the project shall comply with the housing type requirements at the time of CTCAC's Placed In Service review. The housing type requirement shall be conditioned in the CTCAC Regulatory Agreement and CTCAC Compliance staff shall verify the project is meeting those housing type requirements, consistent with California Code of Regulations, title 4, section 10322(i).

Point Criteria	New Const. Max. Points	Rehabilitation Max. Points	Points Scored
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 83.504%